

## **CORRECTED FISCAL NOTE**

### **HB 2015 - SB 2065**

February 17, 2000

**SUMMARY OF BILL:** Amends the retirement law by increasing the maximum benefit which can be paid to a Group 2 member of the retirement system from 75% of the member's average final compensation to 80% of the member's average final compensation, unless the Group 2 member is employed by a political subdivision. Increasing the maximum benefit for members employed by a political subdivision will be optional to the governing body.

### **ESTIMATED FISCAL IMPACT:**

On January 28, we issued a fiscal note on this bill, which indicated that:

*The impact of this bill is an increase in state expenditures of \$6,400 Annual Amortized Cost and a not significant increase in local government expenditures. The impact on the state implied that the full \$6,400 would be funded by the general fund.*

Based upon additional information provided to us by the Division of Retirement, the estimated fiscal impact and respective funding sources is:

#### **Increase State Expenditures:**

**\$3,300 Annual Amortized Cost/General Fund**

**\$3,100 Annual Amortized Cost/Wildlife Resources Fund**

#### **Increase Local Govt. Expenditures - Not Significant**

Estimate assumes:

- Total lump sum liability to state government for active and retired Group 2 members will be \$65,500.
- Annual amortized cost assumes a 20-year amortization of the lump sum liability.
- Any expenditures for political subdivisions will be optional and will not exceed \$100,000.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

**HB 2015 - SB 2065  
CORRECTED**